(c) Since wheat in the country is mostly produced and procured in the Northern States. It has to be transported to the Southern States as per the requirement of TPDS and Other Welfare Schemes. All the wheat transported by the FCI to Southern States is through the Railways. The rates of rail freight are determined by the Ministry of Railways.

(d) Action has been taken to reduce the cost of transportation by employing linear programming module to determine the least cost linkage from laoding stations to unloading stations.

Wheat import

2929. SHRI KALRAJ MISHRA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government have decided to import 5 lakh tonnes of wheat this season to augment food security, subject to review of the situation in May, if more is required to be imported; and

(b) the estimated indigenous production of wheat this year, as compared to the last two years?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Yes, Sir. In addition to import of 5.00 lakh tonnes of wheat, the Government has authorized the State Trading corporation to import 30 lakh tonnes of wheat to augment the food security.

(b) As per the Third Advance Estimates of Foodgrains Production for 2005-06 (as on 5.5.2006), the indigenous production of wheat is estimated to be 71.54 Million Tonnes in 2005-06 as compared to 72.15 Million Tonnes during 2003-04 and 68.64 during 2004-05.

Production and import of wheat

2930. SHRI RAMDAS AGARWAL: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the production of wheat is expected to be less than the target during 2005-06;

(b) if so, how much wheat Government imported during 2004-05 and 2005-06, till date, indicating as to why such a situation had-arisen to import wheat; and

(c) the details of imported wheat, country-wise, quantity-wise and rate-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Yes, Sir. As per the Third Advance Estimates for the year 2005-06 (as on 5.5.2006), the production of wheat is estimated to be 71.54 Million Tonnes vis-a-vis 75.53 Million Tonnes targeted for the year 2005-06.

(b) No wheat was imported on Government account during 2004-05 and 2005-06. The Government authorized the State Trading Corporation (STC) to import 5 lakh tonnes in February, 2006 for the Southern States, for which arrivals have commenced in April, 2006 for the southern States only. In addition to this, in April 2006, the Government has approved the import of 30 lakh tonnes of wheat by the STC to augment the buffer stocks.

The decision to import 30 lakh tonnes was taken in view of the following:

(i) Stock of wheat in the Central Pool as on 1.4.2006 was 20 lakh tonnes which was 20 lakh tonnes lower than the buffer norm of 40 lakh tonnes for 1st April.

(ii) Need to build up adequate buffer stock to meet the commitment under Public Distribution System (PDS) and Welfare Schemes;

(iii) Lower than normal production of wheat;

(iv) Low level of procurement of wheat in the Central Pool.

(c) As per the tender finalized by the STC, the contract for import of 5.00 lakh tonnes of wheat has been awarded to the lowest bidder M/s. Australian Wheat Board at a price of US $ 178.75 per metric tonne C&F (Cost & Freight). The landed cost at the ports works out to Rs. 7981.18 per metric tonne in Indian currency @ Rs. 44.65 for 1 US$.

The details regarding supplies, quantity and rate for import of 30 lakh tonees of wheat would be known on finalisation of the tender floated by STC for this purpose.